



March 8, 2018

RE: **Senate Bill 15 AN ACT CONCERNING FAIR AND EQUAL PAY FOR EQUAL WORK**

House Bill 5386 AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS

Dear Members of the Labor and Public Employees Committee:

I serve as Vice President and Counsel for the Insurance Association of Connecticut ("IAC"), a state-based trade association for Connecticut's insurance industry. Thank you for the opportunity to provide comments on **Senate Bill 15 AN ACT CONCERNING FAIR AND EQUAL PAY FOR EQUAL WORK** and **House Bill 5386 AN ACT CONCERNING VARIOUS PAY EQUITY AND FAIRNESS MATTERS**.

The IAC supports pay equity. We are concerned, however, that these bills could inadvertently stop companies from paying more – not less – to candidates for positions in sales. We believe that this concern can be addressed through a simple technical amendment, which is discussed below.

As you are aware, many insurance companies sell insurance through sales agents. Companies often assess the quality of candidates for experienced producer or sales manager positions through questions about past sales-based compensation (e.g. commission), which is often the best objective measure of sales productivity and management.

As these bills are currently drafted, however, companies would be prevented from using past sales-based compensation to assess the quality of job applicants. In many cases, this could make it more difficult for prospective employees to take advantage of successful prior sales histories.

For this reason, we respectfully suggest that for the narrow purpose of these bills, the definition of "salary" should be amended to exclude any objective measure of the applicant's productivity such as revenue, sales, or other production reports.

This change would benefit both companies and employees. Companies could better evaluate candidates for sales positions, and experienced applicants could benefit from successful sales histories.

Regards,

Dallas C. Dodge
Vice President and Counsel